



Office of the Secretary

48 CFR Parts 1401, 1402, 1403, 1405, 1414, 1416, 1419, 1426, 1431, 1442, 1443, and 1449

[Docket No. DOI-2023-0012; 234D0102DM, DS62400000, DLSN00000.000000, DX62401]

RIN 1090-AB25

Department of the Interior Acquisition Regulation Governance Titles

AGENCY: Office of Acquisition and Property Management, Interior.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Department of the Interior proposes changes to the Department of the Interior acquisition regulations to update its nomenclature to align with recent changes to agency procurement governance. This proposal enables acquisition programs to more efficiently meet the Department's mission needs and comply with all applicable law and regulations.

DATES: Comments must be received on or before [INSERT DATE 60 DAYS AFTER PUBLICATION IN THE *FEDERAL REGISTER*]

ADDRESSES: You may submit comments, identified by Docket No. DOI-2023-0012 on the rulemaking through the Federal eRulemaking Portal at <https://www.regulations.gov>. Follow the instructions on the web site for submitting comments.

FOR FURTHER INFORMATION CONTACT: Ms. Antonia Giammo, Senior Procurement Analyst; telephone (202) 208-5250 or email pam_policy@ios.doi.gov.

Individuals in the United States who are deaf, blind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered

within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION:

I. Background

As part of a broader effort to improve the Department of Interior's (DOI's) procurement function and strengthen its workforce, the Department recently made changes to its procurement governance. These updates were made in accordance with 41 U.S.C. 1702, Chief Acquisition Officers and senior procurement executives, and Departmental Manual 205 DM 11, General Delegations, Procurement and Contracting. In amending its procurement governance, DOI created consistency in organizational structure and leadership roles across its bureaus and offices, and reassigned roles established by the Federal Acquisition Regulation to better streamline acquisition approval processes. This proposed rule amends the Department of the Interior Acquisition Regulation to reflect the changes in procurement governance by removing role designations no longer used and replacing with the appropriate procurement roles.

II. Description of Changes

The Federal Acquisition Regulations System consists of the Federal Acquisition Regulation (FAR), which is the codification of uniform policies and procedures for acquisition by all executive agencies, and agency acquisition regulations, such as the Department of the Interior Acquisition Regulation (DIAR), that implement or supplement the FAR. The Federal Acquisition Regulations System is codified in Title 48 of the Code of Federal Regulations (CFR).

Part 2 of the FAR defines the following key procurement roles: agency head, Chief Acquisition Officer (in accordance with 41 U.S.C. 1702), senior procurement executive (in accordance with 41 U.S.C. 1702), head of the contracting activity, and contracting officer. The FAR uses the term "chief of the contracting office" without

defining it. Part 1402 of the current DIAR identifies within the Department the agency head, senior procurement executive, and heads of the contracting activity. Part 1402 of the DIAR also defines the terms “bureau procurement chief” and “chief of the contracting office”.

This rule proposes to revise the DIAR in the following ways:

- Remove the term “bureau procurement chief” and replace with “head of contracting activity”.
- Amend the Department’s definition of “head of contract activity”.
- Add and define the term “bureau procurement executive”.
- Update references to the above terms as used throughout the DIAR.

The term “bureau procurement chief” (BPC) is not used in the FAR or across executive agencies broadly. DOI defined the term in the DIAR to mean the senior General Schedule (GS) Series 1102 (contracting) official in a bureau or office. The term “head of contracting activity” (HCA) is defined in the FAR as the official who has overall responsibility for managing the contracting activity. The current DIAR further specifies that the HCA is the assistant or associate administrative head of each bureau and office who has overall responsibility for managing contracting. Within DOI, the BPC would be in a direct reporting line to the HCA. Except for the Interior Business Center, the HCA would not necessarily have a GS-1102 background and would also be responsible for other areas beyond procurement.

Both the FAR and DIAR require HCA review and approval of certain procurement actions. In practice, HCAs delegated their approvals to the BPC in most cases allowed under regulation. When HCA approval was required, it would still come through the BPC, but the additional layer of review would result in additional time to coordinate HCA briefing and approval.

When reevaluating DOI's procurement governance, the Department determined that in practice, the BPC was indeed the individual responsible for *managing* the contracting activity and the HCA was the senior executive accountable for the contracting activity but not involved in the day-to-day management of the function. The Chief Acquisition Officer, senior procurement executive, HCAs, and BPCs all concurred that accordingly, the senior GS-1102 in a bureau (or office equivalent) should be designated as the HCA rather than the DIAR specific term BPC. It was determined that this change would also streamline procurement actions requiring HCA approval by removing a layer of review that was either delegated or offered nominal additional benefit. The senior executives who had been designated as HCAs would now be designated as 'bureau procurement executives' (BPEs) and would still be accountable for the bureau's contracting function.

These changes are part of a broader Departmental effort to provide greater consistency across bureau and office procurement organizations and to empower procurement leadership. The changes to the titles bureau procurement chief, head of contracting activity, and bureau procurement executive do not result in any change to reporting chains or key duties of those holding these positions. The changes also do not impose any new requirements on or change the manner in which DOI interacts with its contractors and the public.

III. Required Determinations

A. Regulatory Planning and Review (Executive Orders 12866, 13563, and 14094)

Executive Order (E.O.) 12866 provides that the Office of Information and Regulatory Affairs (OIRA) will review all significant rules. OIRA has determined that this proposed rule is not significant.

Executive Order 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the nation's regulatory system to promote predictability, to reduce

uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. The Executive Order directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public, where these approaches are relevant, feasible, and consistent with regulatory objectives. E.O. 13563 emphasizes further that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. We have developed this rule in a manner consistent with these requirements.

Executive Order 14094 reaffirms the principles of E.O. 12866 while calling for improvements in public participation, inclusiveness, and regulatory analysis. We have developed this rule in a manner consistent with E.O. 14094.

B. Regulatory Flexibility Act

The Secretary certifies that the adoption of this proposed rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (5 U.S.C. 601 et seq.). Therefore, under 5 U.S.C. 605(b), this rulemaking is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

C. Small Business Regulatory Enforcement Fairness Act

This proposed rule is not a major rule under the Small Business Regulatory Enforcement Fairness Act (5 U.S.C. 804(2)). This rule:

- (a) Will not have an annual effect on the economy of \$100 million or more.
- (b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

(c) Will not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

D. Unfunded Mandates Reform Act

This proposed rule does not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than \$100 million per year. The rule does not have a significant or unique effect on State, local, or tribal governments, or the private sector nor does the rule impose requirements on State, local, or tribal governments. A statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1531 et seq.) is not required.

E. Takings (E.O. 12630)

This proposed rule does not affect a taking of private property or otherwise have taking implications under Executive Order 12630. A takings implication assessment is not required.

F. Federalism (E.O. 13132)

Under the criteria in section 1 of E.O. 13132, this proposed rule does not have sufficient Federalism implications to warrant the preparation of a Federalism summary impact statement. It would not substantially and directly affect the relationship between the Federal and state governments. A Federalism summary impact statement is not required.

G. Civil Justice Reform (E.O. 12988)

This proposed rule complies with the requirements of E.O. 12988. Specifically, this rule:

(a) meets the criteria of section 3(a) of this E.O. requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and

(b) meets the criteria of section 3(b)(2) of this E.O. requiring that all regulations be written in clear language and contain clear legal standards.

H. Consultation with Indian tribes (E.O. 13175)

The Department of the Interior strives to strengthen its government-to-government relationship with Indian tribes through a commitment to consultation with Indian tribes and recognition of their right to self-governance and tribal sovereignty. We have evaluated this rule under the Department's consultation policy and under the criteria in E.O. 13175 and have determined there will not be substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes. Consultation with Indian tribes is not required.

I. Paperwork Reduction Act

This proposed rule does not cause any collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501, et seq.) A Paperwork Reduction Act clearance is not required.

J. National Environmental Policy Act

This proposed rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the National Environmental Policy Act of 1969 (NEPA) is not required because the rule is covered by the categorical exclusion listed in 43 CFR 46.210(f). We have also determined that the rule does not involve any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA.

K. Effects on the Energy Supply (E.O. 13211)

This proposed rule is not a significant energy action under the definition in E.O. 13211. A Statement of Energy Effects is not required.

L. Clarity of this Regulation (Plain Language)

We are required by Executive Orders 12866 (section 1(b)(12)), and 12988 (section 3(b)(1)(B)), and 13563 (section 1(a)), and by the Presidential Memorandum of June 1, 1998, to write all rules in plain language. This means that each rule we publish must:

- (a) Be logically organized;
- (b) Use the active voice to address readers directly;
- (c) Use common, everyday words and clear language rather than jargon;
- (d) Be divided into short sections and sentences; and
- (e) Use lists and tables wherever possible.

If you feel that we have not met these requirements, send us comments by one of the methods listed in the “**FOR FURTHER INFORMATION CONTACT**” section. To better help us revise the rule, your comments should be as specific as possible. For example, you should tell us the number of section or paragraphs that you find unclear, which section or sentences are too long, the sections where you feel lists or tables would be useful, etc.

M. Public Availability of Comments

You may submit your comments and materials regarding this proposed rule by the method listed in the Addresses section. We will post all comments on <https://www.regulations.gov>. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment - including your personal identifying information may be publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

List of Subjects in 48 CFR Parts 1401, 1402, 1403, 1405, 1414, 1416, 1419, 1426, 1431, 1442, 1443, and 1449

Government procurement

Regulation Promulgation

For the reasons set out in the preamble, the Department of the Interior, Office of Acquisition and Property Management, proposes to amend 48 CFR chapter 14 as follows:

**PART 1401 - DEPARTMENT OF THE INTERIOR ACQUISITION
REGULATION SYSTEM**

1. The authority citation for part 1401 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

2. Revise section 1401.303 to read as follows:

1401.303 Publication and codification.

(a)(1) Implementing and supplementing regulations issued under the DIAR System are codified under chapter 14 in title 48, Code of Federal Regulations and shall parallel the FAR in format, arrangement, and numbering system.

(2)(i) Department-wide regulations are assigned 14 CFR parts 1401 through 1479.

(ii) Where material in the FAR requires no implementation, there will be no corresponding number in the DIAR. Thus, there are gaps in the DIAR sequence of numbers where the FAR, as written, is deemed adequate. Supplemental material shall be numbered as specified in FAR 1.303.

(3) Bureau-wide regulations are authorized for codification in Appendices to Chapter 14, as assigned by the Director, PAM, in accordance with 1401.304(a)(3).

(b) Regulations implementing the FAR or DIAR are numbered using 48 CFR parts 1401 through 1479. Supplemental material is numbered using 48 CFR parts 1480 through 1499. Numbers for implementing or supplementing regulations by bureaus/offices are preceded by a prefix to the number 14 (indicating chapter 14—DIAR) for the organization indicated by lettered appendices as follows:

- (1) Bureau of Indian Affairs—BIA
- (2) Bureau of Reclamation—WBR
- (3) Interior Business Center—IBC
- (4) Bureau of Land Management—LLM
- (5) U.S. Geological Survey—WGS
- (6) Office of Surface Mining Reclamation & Enforcement—LSM
- (7) Minerals Management Service—LMS
- (8) National Park Service—FNP
- (9) U.S. Fish and Wildlife Service—FWS

(c) e.g., FAR 1.3 (48 CFR 1.3) then DIAR 1401.3 [Department level] then in Appendix A, BIA 1401.3 [Bureau level].

3. Revise section 1401.370 to read as follows:

1401.370 Acquisition Managers' Partnership.

(a) The Acquisition Managers' Partnership (AMP) is a forum for DOI's senior acquisition management community to work cooperatively and continuously to improve the management, efficiency and effectiveness of its procurement services in support of DOI's mission.

(b) The AMP consists of the HCAs and representatives from PAM and OSDBU.

(c) The AMP Charter provides that the Chairperson and Associate Chairperson are leadership roles that will rotate annually. The AMP Chairperson determines when the partnership will meet and develops meeting agendas. The Chairperson will distribute the meeting minutes to all members.

4. Revise section 1401.403 to read as follows:

1401.403 Individual deviations.

(a) The Director, PAM, is authorized to approve deviations of FAR provisions (see FAR 1.4) or DIAR provisions which affect only one contracting action.

(b) Requests for deviations under paragraph (a) of this section shall be submitted by the HCA and include justification for the deviation.

(c) A copy of the approved deviation shall be included in the contract file.

5. Revise section 1401.603-1 to read as follows:

1401.603-1 General.

HCAs are authorized to select and appoint COs and terminate their appointment as prescribed in the Department's Certificate of Appointment (COA) Manual. Copies of the manual may be obtained at <http://www.doi.gov/pam/Acqworkfor.html>.

6. Revise section 1401.603-2 to read as follows:

1401.603-2 Selection.

COs, regardless of series or organizational placement, must be certified at a level commensurate with their appointment level, as prescribed in the Department's Federal Acquisition Certification in Contracting (FAC–C) Program Manual. Director, PAM, is the approving authority for all new and reinstated FAC–C certifications. HCAs are authorized to approve renewal FAC–C certifications.

7. Revise section 1401.7001-4 to read as follows:

1401.7001-4 Acquisition performance measurement systems.

(a) The acquisition performance measurement system is a three-pronged approach that includes self assessment, statistical data for validation and flexible quality reviews and assessment techniques. This system is required to:

(1) Evaluate the effectiveness and efficiency of bureau and office acquisition systems;

(2) Assess the adequacy of policies, procedures and regulations governing the acquisition process; and

(3) Identify and implement changes necessary to improve the systems.

(b) BPEs are responsible for ensuring contracting activity compliance with law and regulations through the review and oversight process.

PART 1402 – DEFINITIONS OF WORDS AND TERMS

8. The authority citation for part 1402 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

9. Revise subpart 1402.1 to read as follows:

Subpart 1402.1—Definitions

Sec.

1402.101 Definitions.

1402.170 Acronyms.

Subpart 1402.1—Definitions

1402.101 Definitions.

As used in this part:

Bureau Procurement Executive (BPE) is defined as the assistant or associate administrative head who has overall responsibility for the contracting activity. In reference to the Office of the Secretary (OS), the BPEs are the Assistant Inspector General for Management and Policy and the Director, Interior Business Center (IBC).

Chief of the contracting office (CCO) is defined as the senior GS–1102 within a contracting office unless otherwise specified by bureau/office regulation. If the CCO is also the Contracting Officer (CO) for an action requiring approval of the CCO, then approval shall be at a level above the CCO in accordance with bureau procedures.

Contracting activity is defined as an office with delegated procurement authority. Within the Office of the Secretary (OS), the Office of Inspector General (OIG) is a contracting activity. The Interior Business Center (IBC) contracts for the OS.

Head of the agency (also called “agency head”) is defined as the Secretary of the Interior and the Assistant Secretary—Policy, Management and Budget (AS/PMB).

Head of the contracting activity (HCA) is defined as the senior GS 1102 official in the contracting activity who has the overall responsibility for managing the contracting activity. The HCA authority may be delegated, unless specified otherwise, to the CCO. If the HCA is the Contracting Officer (CO) for an action requiring approval of the HCA, then approval shall be at the BPE level.

Senior procurement executive is defined as the Director, Office of Acquisition and Property Management (PAM).

1402.170 Acronyms.

A&E Architect & Engineering

ACMIS Acquisition Career Management Information System

AMP Acquisition Manager's Partnership

AMR Acquisition Management Review

AS/PMB Assistant Secretary—Policy, Management and Budget

BPA Blanket Purchase Agreement

BPE Bureau Procurement Executive

CA Competition Advocate

CAAC Civilian Agency Acquisition Council

CAS Cost Accounting Standards

CASB Cost Accounting Standards Board

CBCA Civilian Board of Contract Appeals

CCO Chief of the Contracting Office

CERCLA Comprehensive Environmental Response, Compensation and Liability Act

CFR Code of Federal Regulations

CIO Chief Information Officer

CO Contracting Officer

COA Certificate of Appointment

COI Conflicts of Interest

COR Contracting Officer's Representative

COTR Contracting Officer's Technical Representative

DISP Defense Industrial Security Program

DM Departmental Manual

DOI Department of the Interior

DOL Department of Labor

EC Electronic Commerce

FAR Federal Acquisition Regulation

FBMS Financial Business Management System

FPDS—NG Federal Procurement Data System—Next Generation

GAO Government Accountability Office

GIDEP Government-Industry Data Exchange Program

GPE Government Point of Entry

GPO Government Printing Office

GSA General Services Administration

GSBCA General Services Board of Contract Appeals

HCA Head of the Contracting Activity

IT Information Technology

IPMD Interior Property Management Directives

MBDA Minority Business Development Agency

OCIO Office of Chief Information Officer

OIG/IG Office of Inspector General/Inspector General

OFPP Office of Federal Procurement Policy

OHA Office of Hearings and Appeals

OMB Office of Management and Budget

OS Office of the Secretary

OSDBU Office of Small and Disadvantaged Business Utilization

PAM Office of Acquisition and Property Management

PMO Property Management Officer

PNM Procurement Negotiation Memorandum

SAT Simplified Acquisition Threshold

SBA Small Business Administration

SBS Small Business Specialist

SOL Office of the Solicitor

TFM Treasury Financial Manual

U.S.C. United States Code

VECP Value Engineering Change Proposal

PART 1403 – IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

10. The authority citation for part 1403 continues to read:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

11. Revise section 1403.104-7 to read as follows:

1403.104-7 Violations or possible violations.

(a)(1) The CO's determination that there is no impact on the procurement due to a possible violation of the Procurement Integrity Act and decision to proceed with contract award shall receive concurrence from an individual one level above the CO.

(2) In case of nonconcurrence with the CO's determination, the HCA shall provide a copy of the reported violation and recommended action to the OIG in accordance with Part 111 DM 3. The CO, in consultation with the SOL and the OIG, must justify the compelling circumstances for immediate award and obtain approval to proceed from the HCA without the power of redelegation. Copies of the determination to proceed with the award will be sent to the Director, PAM, for submission to the AS/PMB.

(b) [Reserved]

12. Revise section 1403.804 to read as follows:

1403.804 Policy.

The HCA shall receive copies of contractor disclosures and forward them to the Director, PAM, for submission to Congress.

PART 1405 – PUBLICIZING CONTRACT ACTIONS

13. The authority citation for part 1405 continues to read:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

14. Revise section 1405.403 to read as follows:

1405.403 Requests from Members of Congress.

For purposes of this subpart, the agency head is the HCA.

PART 1414 – SEALED BIDDING

15. The authority citation for part 1414 continues to read:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

16. Revise section 1414.407-3 to read as follows:

1414.407-3 Other mistakes disclosed before award.

(a) The HCA is authorized to make the administrative determinations under FAR 14.407–3, except as set forth in paragraph (b) of this section. This authority is not redelegable.

(b) The CCO has the authority outlined in FAR 14.407–3(c) (48 CFR 14.407-3(c)) to make the written determination permitting a bidder to withdraw a bid, after review by the SOL.

(c) The CO shall submit a report on suspected or alleged mistakes in bids together with the supporting data to the HCA. The CO may also include a report on bids where evidence of the intended bid is clear and convincing but the bidder has not requested permission to correct the bid. Incomplete reports may result in a delay in obtaining a determination.

(d) The HCA is responsible for maintaining records of administrative determinations.

PART 1416 – TYPES OF CONTRACTS

17. The authority citation for part 1416 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

18. Revise section 1416.405 to read as follows:

1416.405 Contract clauses.

The HCA, without the power of redelegation, is authorized to approve an award fee clause to use in a solicitation when a cost-plus-award-fee contract is contemplated.

PART 1419 – SMALL BUSINESS PROGRAMS

19. The authority citation for part 1419 continues to read as follows:

Authority: 40 U.S.C. 121(c); 40 U.S.C. 486(c); and 5 U.S.C. 301.

20. Revise section 1419.503-70 to read as follows:

1419.503-70 Class set-aside for construction acquisitions.

(a) Acquisitions for construction (as defined in Federal Acquisition Regulation (FAR) 2.101) estimated to cost \$2 million or less must be set-aside on a class basis for exclusive participation by small business or disadvantaged business concerns. This class set-aside does not apply when:

- (1) The acquisition is procured using simplified acquisition procedures;
- (2) A non-competitive acquisition has been approved under the procedures of FAR 6.3;
- (3) Work is to be performed outside the U.S.; or
- (4) The HCA determines that adequate competition is not likely to be obtained if the acquisition is restricted to small business concerns.

(b) [Reserved]

PART 1426 – OTHER SOCIOECONOMIC PROGRAMS

21. The authority citation for part 1426 continues to read:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

22. Revise section 1426.7102-2 to read as follows:

1426.7102-2 Requirements.

(a) MBDA–91 Plan. The HCA is required to submit the Plan on form MBDA–91 to the OSDBU by no later than November 15 of each year. Section 1 of the form, “Procurement Program Activities,” will be completed by OSDBU. Sections 2 through 5 must be completed by bureaus and offices.

(b) MBDA–91 Reports. The HCA must submit reports to the OSDBU within 30 days following the end of a fiscal quarter. Reports are cumulative from October 1 of the reporting fiscal year, and monetary figures should be rounded to whole dollars in each section of the report.

(c) “Negative report” means when the Bureau had no reportable activity during the quarter. Submit such a report using the MBDA–91 report form.

23. Revise section 1426.7103-2 to read as follows:

1426.7103-2 Requirements.

The contracting offices shall report designated projects funded with EPA monies, involving the actual award of contracts, subcontracts, financial assistance instruments, subagreements, etc. by DOI. Do not include Departmental projects covered by Superfund and funded solely with Departmental appropriations. The HCA must submit one of the following reports inclusive of all projects, as applicable, to the OSDDBU by no later than November 8 of each year:

(a) EPA Forms 6005–3 and 6005–3A for applicable Superfund contract awards, including partial awards to minority businesses.

(b) EPA Form 6005–3A only, for applicable Superfund contract awards when no awards were made to minority firms, to report the efforts made to promote minority business participation in the designated projects.

(c) “Negative Report” when the reporting Bureau did not award contracts using Superfund monies.

PART 1431 – CONTRACT COST PRINCIPLES AND PROCEDURES

24. The authority citation for part 1431 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

25. Revise section 1431.101 to read as follows:

1431.101 Objectives.

Individual deviations concerning cost principles and procedures shall require the approval of the cognizant Assistant Secretary, with further redelegation authorized.

Redelegation is limited to the HCA.

PART 1442 – CONTRACT ADMINISTRATION AND AUDIT SERVICES

26. The authority citation for part 1442 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

27. Revise section 1442.602 to read as follows:

1442.602 Assignment and location.

The HCA has the authority to approve the appointment of a Corporate Administrative Contracting Officer.

PART 1443 – CONTRACT MODIFICATIONS

28. The authority citation for part 1443 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

29. Revise section 1443.205 to read as follows:

1443.205 Contract clauses.

HCAs may establish procedures, when appropriate, for authorizing the CO to vary the 30-day period for submission of requests for adjustment prescribed by FAR 43.205 (48 CFR 43.205).

PART 1449 – TERMINATION OF CONTRACTS

30. The authority citation for part 1449 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

31. Revise section 1449.106 to read as follows:

1449.106 Fraud or other criminal conduct.

When fraud or other criminal conduct is suspected, the CO will submit a report documenting the incident to the HCA for transmittal to the OIG. Informational copies will be forwarded to the Director, PAM.

32. Revise section 1449.111 to read as follows:

1449.111 Review of proposed settlements.

All proposed settlement agreements shall be reviewed by the SOL and approved at one level above the CO. Settlement agreements of \$250,000 or more shall be approved by the HCA.

Joan M. Mooney,

Principal Deputy Assistant Secretary, Exercising the Delegated Authority of the Assistant Secretary - Policy, Management and Budget.

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